



February 22, 2022

Dear Fellow Cryo-Cell Shareholders,

Overview

I am very proud of the progress that Cryo-Cell International, Inc. has made over the last several years, and I am even more excited about the future prospects for the Company. We believe we have more opportunities to pursue now than ever before. We are thankful the foundation is in place to drive growth as exhibited by the \$7.9 million in cash flow from operations that Cryo-Cell generated in fiscal year 2021. The transformation of Cryo-Cell from a solid, cash generating cord blood bank to a fully integrated, cellular therapy company expecting to treat patients at its own clinic(s) is well underway.

Fiscal Year 2021 Results

Revenue for fiscal 2021 was \$28.9 million compared to \$31.1 million for fiscal 2020. The Company reported net income of \$2.1 million in fiscal 2021 or \$0.26 per basic common share and \$0.25 per diluted common share, compared to net income of \$3.6 million in fiscal 2020 or \$0.48 per basic common share and \$0.45 per diluted common share.

Revenue and net income in 2021 were negatively impacted by the reduction in the U.S. birth rate due to Covid-19, price pressure in the cord blood banking industry, and by the expiration of the Company's license agreement with the Company's affiliate in India, which previously had generated up to \$1 million in annual royalty income that flowed directly to the Company's pretax income line. The Company also incurred additional expenses related to the Duke University ("Duke") license agreement, including approximately \$164,000 in patent expenses. Revenues associated with the Duke license agreement are expected to begin in fiscal Q4 2022.

Fiscal Year 2022 Outlook

Cord blood banking prices are anticipated to stabilize or may even trend upwards in 2022. The number of new cord blood and cord tissue enrollments in fiscal 2022 are expected to be relatively flat as compared to 2021. We are projecting to open the Cryo-Cell Institute for Cellular Therapies and begin infusing patients with autologous cord blood units during the fourth quarter of 2022. Planning is well underway to modify our newly acquired clinic space into an infusion center capable of treating up to 10 patients per day. Assuming FDA approval, these will be patients that suffer from neurological conditions such as cerebral palsy and autism spectrum disorder.



DUKE TRIANGLE ENDOSCOPY CENTER
CryoCell Institute for Cellular Therapies
CHAPEL HILL PEDIATRIC
SOUTHPOINT PEDIATRIC DENTISTRY



Utilizing proprietary expertise and manufacturing protocols from Duke, Cryo-Cell has developed its own mesenchymal stromal cell (MSC) manufacturing operation in its laboratory in Tampa, Florida. MSCs have immunomodulatory properties that can potentially be used to treat neurological conditions and other maladies.

In addition, Cryo-Cell has entered into a non-binding letter of intent to purchase a 56,000 square foot facility in Durham, NC. There can be no assurances Cryo-Cell will be able to acquire this facility. If acquired, it is expected this facility could serve three primary functions: 1.) to house Cryo-Cell's cryogenic freezers and to provide cold storage services to third party pharmaceutical companies, academic centers, biorepositories, etc. 2.) to produce cellular therapy products for Phase 3 clinical trials and commercialization, subject to FDA approval, and 3.) to accommodate the long-term needs of the Cryo-Cell Institute for Cellular Therapies.

Closing Remarks

Finally, I would be remiss to not mention that I believe Cryo-Cell may be the most undervalued stock trading on NASDAQ. Reflecting this, Cryo-Cell has repurchased 85,129 shares at an average cost of \$11.36 per share since October, 2021. We anticipate considering the repurchase of additional shares in the future, although there can be no assurances in this regard. All shareholders are encouraged to [review the investor presentation](#).

As you can see, Cryo-Cell has a solid core business and many projects, both operational and financial, underway. We look forward to updating you on our progress in the future.

Thank you for your support!

Sincerely,

A handwritten signature in black ink, appearing to read 'David Portnoy', with a long horizontal flourish extending to the right.

David Portnoy
Chairman of the Board and Co-CEO
Cryo-Cell International, Inc.